

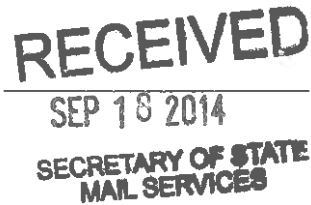
BEFORE THE GEORGIA ATHLETIC AND ENTERTAINMENT COMMISSION
STATE OF GEORGIA

IN THE MATTER OF:

TERRY HOUSE,

Licensee,

Respondent.



FINAL DECISION

A hearing in the above-styled matter was conducted on July 17, 2014, by the Georgia Athletic and Entertainment Commission (hereinafter "Commission"). The Commission was represented by David Stubins, Senior Assistant Attorney General. The Respondent attended the hearing by telephone and represented himself at the hearing.

FINDINGS OF FACT

1.

Respondent was scheduled to fight in a mixed martial arts event in the State of Georgia on or about April 26, 2014, in Savannah, Georgia.

2.

Andrew Stokes is a promoter licensed by GAEC to promote and put on mixed martial arts events in the State of Georgia. Jared Williams worked with or for the promoter to schedule and contract fighters to participate in the promoter's mixed martial arts matches.

3.

Andrew Stokes promoted and put on an event including mixed martial arts on April 26, 2014, in Savannah, Georgia.

4.

Respondent signed a Bout Agreement (contract) to participate in a mixed martial arts contest or bout with the promoter for the promoter's event on April 26, 2014.

5.

Respondent communicated with Jared Williams concerning the fight and bout. Respondent assured Williams that Respondent would participate in the contest. Respondent also had Williams and/or the promoter to pay for Respondent's blood work necessary to participate in the bout.

5.

Respondent failed to appear to fight or perform under the terms of his contract with the promoter of the mixed martial arts contest or bout.

6.

Respondent failed to perform under the terms of his contract with the licensed promoter of the mixed martial arts contest or bout.

APPLICABLE LAW

O.C.G.A. § 43-4B-4 provides, in part:

- (a) The commission is the sole regulator of professional boxing in Georgia and shall have authority to protect the physical safety and welfare of professional boxers and serve the public interest by closely supervising all professional boxing in Georgia.
- (b) The commission shall have the sole jurisdiction to license the promotion or holding of each professional match, contest, or exhibition of boxing promoted or held within this state.
- (c) The commission shall have the sole jurisdiction to license participants in any professional match, contest, or exhibition of boxing held in this state.

(d) The commission has the authority to direct, manage, control, and supervise all professional matches, contests, or exhibitions of boxing. It may adopt bylaws for its own management and promulgate and enforce rules and regulations consistent with this chapter.

(g) The commission or any agent duly designated by the commission may make investigations. The commission may hold hearings; issue subpoenas to compel the attendance of witnesses and the production of books, papers, and records; and administer oaths to and examine any witnesses for the purpose of determining any question coming before it under this chapter or under the rules and regulations adopted pursuant to this chapter. During an investigation of any allegation which, if proven, would result in criminal or civil sanctions as provided in this chapter, the commission may withhold all or a portion of the gross receipts to which the person under investigation is entitled until such time as the matter has been resolved.

O.C.G.A. § 43-4B-7 provides, in part:

The commission shall adopt rules and regulations governing professional boxing to establish the following:

- (1) Procedures to evaluate the professional records and physicians' certifications of each boxer participating in a professional match, contest, or exhibition of boxing and to deny authorization for a professional boxer to fight where appropriate.

O.C.G.A. § 43-4B-10 provides, in part:

- (a) No person shall promote or hold a professional match, contest, or exhibition of boxing within this state without first applying for and obtaining a promoter's license from the commission. Licenses shall be issued annually and shall expire on December 31 of each calendar year.
- (c) No person shall promote or hold a professional match, contest, or exhibition of boxing within this state without first applying for and obtaining a match permit from the commission for such professional match, contest, or exhibition of boxing in addition to the license required by subsection (a) of this Code section...

O.C.G.A. § 43-4B-13 provides, in part:

- (a) The commission shall have the authority to refuse to grant a license to an applicant upon a finding by a majority of the entire commission that the applicant has failed to demonstrate the qualifications or standards for a license contained in this Code section or under the laws, rules, and regulations under which licensure is sought. It shall be incumbent upon the applicant to demonstrate to the satisfaction of the commission that he or she meets all of the requirements for the issuance of a license, and, if the commission is not satisfied as to the applicant's qualifications, it may deny a license without a prior hearing; provided, however, that the applicant shall be allowed to appear before the commission if he or she so desires.
- (b) The commission may, by majority vote, after prior notice to the holder of any state license and after affording such a holder an opportunity to be heard, fine the license holder, revoke or suspend a state license, or take other disciplinary action against the licensee;

O.C.G.A. § 43-4B-18 provides:

The commission shall have jurisdiction over any professional match, contest, or exhibition of boxing which occurs or is held within this state, is filmed in this state, or is broadcast or transmitted from this state.

O.C.G.A. § 43-4B-19 provides, in part:

- (a) Whenever it may appear to the commission that any person is violating or has violated any provision of this article or Article 1 of this chapter and that proceedings would be in the public interest:
 - (1) Subject to notice and opportunity for hearing in accordance with Chapter 13 of Title 50, the "Georgia Administrative Procedure Act" unless the right to notice is waived by the person against whom the sanction is imposed, the commission may:
 - (A) Issue a cease and desist order prohibiting any violation of this article or Article I of this chapter;
 - (B) Issue an order against a person who violates this article or Article 1 of this chapter, imposing a civil penalty up to a maximum of \$1,000.00 per violation; or
 - (C) Issue an order suspending or revoking a license of the person violating this article or Article 1 of this chapter;
- (c) Procedures relating to hearings, notice, counsel, subpoenas, records, enforcement powers, intervention, rules of evidence, decisions, exceptions, review of initial decisions, final decisions, and judicial review of decisions shall be governed by Chapter 13 of Title 50, the "Georgia Administrative Procedure Act, " unless the

provisions of such chapter are contrary to the express provisions of this article or Article 1 of this chapter.

O.C.G.A. Section 43-1-19(a), provides that:

- (a) A professional licensing board shall have the authority to refuse to grant a license to an applicant therefor or to revoke the license of a person licensed by that board or to discipline a person licensed by that board, upon a finding by a majority of the entire board that the licensee or applicant has:
 - (2) Knowingly made misleading, deceptive, untrue, or fraudulent representations in the practice of a business or profession licensed under this title or on any document connected therewith; or practiced fraud or deceit or intentionally made any false statement in obtaining a license to practice the licensed business or profession; or made a false statement or deceptive registration with the board;
 - (6) Engaged in any unprofessional, immoral, unethical, deceptive, or deleterious conduct or practice harmful to the public, which conduct or practice materially affects the fitness of the licensee or applicant to practice a business or profession licensed under this title, or of a nature likely to jeopardize the interest of the public, which conduct or practice need not have resulted in any actual injury to any person or be directly related to the practice of the business or profession but shows that the licensee or applicant has committed any act or omission which is indicative of bad moral character or untrustworthiness; unprofessional conduct shall also include any departure from, or the failure to conform to, the minimal reasonable standards of acceptable and prevailing practice of the business or profession licensed under this title;
 - (8) Violated a statute, law, or any rule or regulation of this state, any other state, the professional licensing board regulating the business or profession licensed under this title....which statute, law, or rule or regulation relates to or in part regulates the practice of a business or profession licensed under this title, when the licensee or applicant knows or should know that such action is violative of such statute, law, or rule;

O.C.G.A. Section 43-1-19(d), provides that:

- (d) When a professional licensing board finds that any person is unqualified to be granted a license or finds that any person should be disciplined pursuant to subsection (a) of this Code section or the laws, rules, or regulations relating to any business or

profession licensed by the board, the board may take any one or more of the following actions:

- (1) Refuse to grant or renew a license to an applicant;
- (2) Administer a public or private reprimand, but a private reprimand shall not be disclosed to any person except the licensee;
- (3) Suspend any license for a definite period or for an indefinite period in connection with any condition which may be attached to the restoration of said license;
- (4) Limit or restrict any license as the board deems necessary for the protection of the public;
- (5) Revoke any license;
- (6) Condition the penalty upon, or withhold formal disposition pending, the applicant's or licensee's submission to such care, counseling, or treatment as the board may direct;
- (7) Impose a fine not to exceed \$500.00 for each violation of a law, rule, or regulation relating to the licensed business or profession.

GAEC Rule 85-3-.18 Licensing provides, in part:

- (a) All mixed martial arts events shall be subject to the licensing requirements of 85-1-.02.

GAEC Rule 85-3-.19 Bond procedure provides:

All mixed martial arts events shall be subject to the bond procedure requirements of 85-1-.03.

GAEC Rule 85-3-.21 Health and safety rules provides:

- (a) All mixed martial arts events shall be subject to the uniform medical requirements of 85-1-.04.
- (b) All mixed martial arts events shall be subject to the additional health and safety requirements of 85-1-.05.
- (c) All mixed martial arts events shall be subject to the emergency medical facilities and equipment requirements of 85-1-.05.
- (d) All mixed martial arts events shall be subject to the insurance requirements of GAEC 85-1-.05.

GAEC Rule 85-3-.22 Weighing of mixed martial artists provides:

- (a) Weighing of all mixed martial artists shall be conducted in accordance with the requirements of professional boxers of 85-1 Appendix B and 85-1-8(d).

GAEC Rule 85-1-.02(9) provides, in part, that:

- (9) Suspensions and Revocations.
 - (a) The commission may revoke, suspend, place on probation or take other disciplinary action against the license of any licensee who has violated any of its rules or regulations or any of the provisions of O.C.G.A. 43, Chapter 4B or whose application contains false statements or material omissions.

GAEC Rule 85-1-.05(6) provides:

(6) Contracts

Contract or Bout Agreement: Unless agreed upon in advance by the Georgia Athletic and Entertainment Commission, all bout agreements must be on the form approved by the commission.

1. The amount of guarantee or percentage promised; the number and time limit of rounds; when and where the official weigh-in will be conducted; when and where the Contestants are scheduled to appear; weight; and all other reasonably expected to be an issue of agreement within professional boxing contracts and agreements.
 - (i) Weights expressed on bout agreements for all four and six round bouts shall allow no less than a +/- 2 pounds variance of the contracted weight.
 - (ii) Weights expressed on bout agreements for all championship (12 rounds) matches shall be absolute and shall not allow for any variance.
 2. Signature of the promoter or his or her designated representative, and the Contestant or his or her designated representative.
 3. All bout agreements will state the following in bold type: Each Contestant applying for a license is required to obtain on their own a Hepatitis B and Hepatitis C blood test and must present to the commission representative no later than at the weigh-in the results of such test conducted within 180 days of the proposed match.
- (b) Contract or Bout Agreement: Required Form for Submission. All information appearing on any written agreements or contracts shall be typed or printed clearly.

(c) Contract or Bout Agreement: File with Commission. One copy of each signed written agreement or contract, once executed by both parties and within three days of such execution, shall be filed with the commission.

(1) No boxing match shall be allowed to commence prior to execution of a signed contract or bout agreement by both parties or before said contract or bout agreement is submitted to the commission.

(c) Violations: Grounds for Suspension. Violation by either party of any written bout agreement or contract may be grounds for suspension of any license issued by the commission and may in addition to such suspension result in a fine imposed by the commission.

GAEC Rule 85-1-.05(7) provides, in part:

(7) Failure to Perform.

(a) Promoter Failure to Perform. The failure of a promoter to perform according to the terms of the contract; to produce contestants or special added attractions as advertised; to pay the contestants their contractual guarantee, or percentage; or the failure of a promoter to live up to his or her agreement with his or her contestants or performers who did perform as scheduled is prohibited.

(b) Contestant Failure to Perform. The failure of a contestant under contract with a licensed promoter to perform according to the terms of said contract; or the failure of a contestant to live up to his or her agreement with a person to which the contestant is under contractual agreement is prohibited.

(c) Violation: Penalties.

(i) Violation of either paragraph (a) or (b) within this subsection shall, for the first offense, be grounds for administrative suspension of not less than 90 days and a fine of not more than the contracted purse amount disclosed on the bout agreement or contract.

(ii) The second and/or any subsequent violation by any person of either paragraph (a) or paragraph (b) within this subsection may, in addition to any suspension by the commission, subject the violator to a fine of not more than the contracted purse amount as disclosed on the bout agreement or contract plus not more than an additional \$10,000. Said fine to be imposed by the commission.

(iii) Any person or license holder violating on three or more occasions either sub-paragraph (a) or sub-paragraph (b) within this subsection shall have his or her license suspended indefinitely. Provided however that any action by the commission to enforce or

attempt to enforce the provisions of this sub-paragraph will be taken only after notice and hearing according to the "Georgia Administrative Procedure Act," Title 50, Chapter 13 of the Official Code of Georgia Annotated.

DECISION AND ORDER

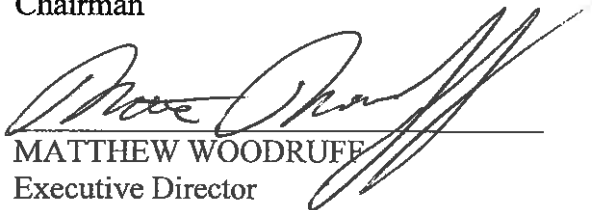
The Commission finds grounds to sanction the Respondent's license based upon his failure to perform pursuant to the terms of his contract with the promoter. The Commission finds that the appropriate sanction is to suspend the Respondent for a period of twelve (12) months beginning on July 17, 2014.

This 19 day of ~~August~~, 2014.
September

GEORGIA ATHLETIC AND
ENTERTAINMENT COMMISSION

RICK THOMPSON
Chairman

ATTEST:


MATTHEW WOODRUFF
Executive Director

Prepared By:

REAGAN DEAN
Senior Assistant Attorney General
Office of the State Attorney General
40 Capitol Square, S.W.
Atlanta, GA 30334
404-657-3979

#769997